

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

In Re: §
§
1001 WL, LLC, § Case No. 24-10119-smr
§
§
§
Debtor. § Chapter 11
§

**ORDER ON APPLICATION TO APPROVE COMPROMISE UNDER FEDERAL RULE
OF BANKRUPTCY PROCEDURE 9019 AND LOCAL RULE 9019 AND FOR RELATED
RELIEF**

CAME ON FOR CONSIDERATION the *Application to Approve Compromise Under Federal Rule of Bankruptcy Procedure 9019 and Local Rule 9019 and for Related Relief* [Dkt. No. ____] (the “Application”)1 in which the Trustee seeks approval of a settlement relating to the Debtor and its primary creditor TIG Romspen US Master Mortgage LP (“Romspen”). The Court finds that the proposed settlement is fair, equitable, and in the best interest of the creditors of the bankruptcy estate (the “Estate”). The Court, being of the opinion that the Application is well taken,

1 Capitalized terms not defined herein have the meaning given them in the Application.

will hereby approve the same as set out below.

IT IS, THEREFORE, ORDERED that John Patrick Lowe, the Chapter 11 Trustee in this bankruptcy case (the “Trustee”) is authorized to enter into and consummate the Settlement Agreement, the same being contained herein.

IT IS, FURTHERMORE, ORDERED that the Trustee is authorized and directed to take the following actions:

1. Withdraw the Appeal;
2. Hire a broker, subject to further approval from this Court, to market and sell the Real Property.

IT IS, FURTHERMORE, ORDERED that the Romspen Claim Objection is hereby resolved, and Romspen shall be and is entitled to an allowed claim in the amount of \$33,115,553.94 (the “Romspen Allowed Claim”), the same being secured, subject to the provisions of this Order, by senior priority lien interests encumbering the Real Property and all other property as set forth in the documents evidencing the Romspen claim (including cash collateral) (the “Romspen Liens”).

IT IS, FURTHERMORE, ORDERED that the foregoing provision of this Order does not prejudice any claims to governmental authorities to entitlement to payment of their secured claims at closing on the Real Property.

IT IS, FURTHERMORE, ORDERED that the Bidding Procedures appended to this Order shall govern the Trustee’s efforts to sell the Real Property.

IT IS, FURTHERMORE, ORDERED that Romspen shall be entitled to credit bid on a sale of the Real Property up to the fixed amount agreed upon by Romspen and the Trustee, but that nothing herein shall be deemed to require Romspen to credit bid.

IT IS, FURTHERMORE, ORDERED that in order to be deemed higher and better than the Credit Bid, any third-party bid above the Credit Bid must be in an amount sufficient to match the Credit Bid plus the commission of the Trustee's broker.

IT IS, FURTHERMORE, ORDERED that the Trustee shall be entitled, pursuant to 11 U.S.C. § 363(f), to convey title to the Real Property free and clear of all liens, claims, and encumbrances, including any leases in favor of the Debtor, any affiliate of the Debtor, or any insider of the Debtor. In the event a third-party takes title to the Real Property with a successful bid that is higher and better than the Credit Bid, the sale proceeds (after payment of normal and customary closing costs and the broker's commission) will remain encumbered by the Romspen Liens.

IT IS, FURTHERMORE, ORDERED that after closing on the sale of the Real Property, Romspen shall be entitled to receive payment on the Romspen Allowed Claim from sale proceeds (if any) and any cash collateral remaining in the Estate, less a holdback (the "Holdback") in a sufficient amount to pay 100% of the allowed fees and expenses of the Trustee, the Trustee's professionals, and any UST fees, plus an amount equal to 10% of the allowed non-insider general unsecured claims in this Bankruptcy Case.

IT IS, FURTHERMORE, ORDERED that Romspen shall be entitled to receive the full amount of any undistributed portion of the Holdback, applied against the Romspen Allowed Claim.

IT IS, FURTHERMORE, ORDERED that the claims against the Debtor asserted by Romspen in Adv. Proc. No. 24-01062 shall be stayed as to the Debtor only.

IT IS, FURTHERMORE, ORDERED that this Court retains jurisdiction to interpret and enforce the terms of this Order.

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Order Prepared by Counsel for Ch. 7 Trustee

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BIDDING PROCEDURES

1. Romspen shall be entitled to credit bid (the “Credit Bid”) on the Real Property in an amount not to exceed the amount agreed upon by Romspen and the Trustee.
2. Romspen shall not be required to Credit Bid.
3. In order to be accepted by the Trustee as being higher and better than the Credit Bid, a bid from any other person must exceed the Credit Bid by an amount at least equal to the commission that would be paid to the Trustee’s broker;
4. Any proposed third-party wishing to make a qualified bid on the Real Property must submit earnest money in the amount of no less than \$1,000,000.00 (the “Earnest Money”);
5. Any proposed third-party wishing to make a qualified bid on the Real Property must submit proof of funds or non-contingent financing sufficient to promptly close on the purchase of the Real Property;
6. Any proposed third-party wishing to make a qualified bid on the Real Property must submit sworn verification of any connections to or communications with the Debtor, or any of the Debtor’s affiliates or insiders of the Debtor, including but not limited to Ali Choudhri;
7. Any proposed third-party wishing to make a qualified bid on the Real Property must submit sworn verification that if selected and approved by the Court as the winning bidder, the

Earnest Money will be forfeited to the Estate if the proposed third-party fails to timely close on the purchase of the Real Property.

8. The Trustee shall, in consultation with the broker and Romspen, determine appropriate deadlines for submission of qualified bids and selection of the highest and best bid.